

Bioanalytical Systems, Inc.

CONSOLIDATED STATEMENTS OF OPERATIONS

(In thousands, except per share amounts)
(Unaudited)

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2006	2005	2006	2005
Service revenue	\$ 7,956	\$ 9,078	\$ 25,548	\$ 23,910
Product revenue	2,082	2,226	6,751	6,226
Total revenue	10,038	11,304	32,299	30,136
Cost of service revenue	6,343	5,434	18,965	16,570
Cost of product revenue	1,165	844	2,725	2,352
Total cost of revenue	7,508	6,278	21,690	18,922
Gross profit	2,530	5,026	10,609	11,214
Operating expenses:				
Selling	625	718	2,038	1,919
Research and development	350	261	989	653
General and administrative	3,834	3,115	9,605	7,781
Total operating expenses	4,809	4,094	12,632	10,353
Operating income	(2,279)	932	(2,023)	861
Interest income	2	2	6	7
Interest expense	(272)	(250)	(780)	(782)
Other income	--	78	--	56
Gain on sale of property and equipment	--	34	--	21
Income (loss) before income taxes	(2,549)	796	(2,797)	163
Income taxes	(874)	(440)	(944)	(300)
Net income (loss)	\$ (1,675)	\$ 356	\$ (1,853)	\$ (137)
Net income (loss) per share:				
Basic	\$ (0.34)	\$ 0.07	\$ (0.38)	\$ (0.03)
Diluted	\$ (0.34)	\$ 0.07	\$ (0.38)	\$ (0.03)
Weighted common and common equivalent shares outstanding:				
Basic	4892	4,871	4,879	4,870
Diluted	4892	5,020	4,879	4,870